GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:494
ANSWERED ON:07.04.2017
Loans to Entrepreneurs
Kumar Dr. Virendra

Will the Minister of FINANCE be pleased to state:

(a) the details of the rate of interest and other terms and conditions for loans available to the exporters/entrepreneurs in the country;
(b) whether the Government is considering to provide loans to entrepreneurs at nominal rate of interest and if so, the details thereof; and
(c) the other measures taken/proposed to be taken by the Government in form of assistance/concessions to protect the domestic industries of the country from the competition with other countries including China?

Answer

MINISTER OF FINANCE

(a) to (c) :- A Statement is laid on the Table of the House.

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14th Position

STATEMENT REFERRED IN REPLY TO LOK SABHA STARRED QUESTION NO. *494 FOR ANSWER ON 7TH APRIL, 2017 TABLED BY DR. VIRENDRA KUMAR REGARDING LOANS TO ENTREPRENEURS

(a) Interest rates on advances including loans to exporters/ entrepreneurs, sanctioned by Scheduled Commercial Banks have been deregulated. Interest rates are determined by banks with the approval of their respective Board of Directors subject to extant regulatory guidelines.
(b) Under Government's Interest Equalisation Scheme on Pre and Post Shipment Rupee Export Credit, interest equalisation benefit of 3% per annum is available on Pre Shipment Rupee Export Credit and Post Shipment Rupee Export Credit to all eligible exporters.
(c) In order to make domestic industries competitive in the international market, Government has taken various measures, which inter-alia include Merchandise Exports from India Scheme for incentive to the exporters to compensate for loss on payment of duties, assistance to respective Export Promotion Councils for mobilizing participation of Indian exporters in various international trade fairs/ exhibitions, organizing Reverse Buyer Seller Meets under Market Access Initiative and Market Development Assistance schemes, several Free Trade Agreements/ Trade Agreements to provide duty concessions for specific products for exports that make these goods competitive in the international market and Buyers' Credit under National Export Insurance Account.
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